



CALIFORNIA HIGH-SPEED RAIL AUTHORITY

## MEMORANDUM

**To:** Chairman Kopp and Authority Members      **Date:** June 26, 2009  
**From:** Mehdi Morshed, Executive Director  
**Subject:** Agenda Item 8 – Project Phasing

This memorandum informs the Authority of a proposed process for programming the major project stages over the next five years that are necessary to advance the initial phase of the California High-Speed Train Project toward meeting program objectives. The intended outcome of this process is for the Authority to adopt a five year plan that programs major project activities, funding and priorities similar to the State Transportation Improvement Program (STIP). The initial draft was first presented to the Authority on March 5, 2009, and a revised draft was presented on May 7, 2009. The following information is presented based on Authority comments and other inputs.

The primary objective of the Authority, its staff and contractors is to achieve safe, compliant and reliable revenue service for the San Francisco to Anaheim section at the earliest feasible time while providing good value to passengers. The sheer magnitude and complexity of this project are expressed in its extensive environmental assessments, countless stakeholder interests, engineering challenges, construction obstacles, legal considerations and financial constraints. The scale of these challenges dictates that the management approach for successfully delivering this project employs practices that have proven effective in meeting comparable project objectives elsewhere. One of the critical success factors these practices have in common is the importance of mid- and long-range project programming. All major phases of the project must be properly planned and implemented in a coordinated, orderly way that is aligned with available financing.

The Authority needs to develop a Project Programming Plan for the major project activities in each project section in Phase I along with the estimated funding requirements and identification of probable funding sources. The approach will initially develop a mid-range plan for each of the years 2010 through 2014 when the principal project elements are currently more reliably forecast, followed by a longer range view that will be expanded in detail as further project development permits.

After a rigorous process, this mid-range Project Programming Plan will show the principal activities and sequence for completing the environmental process, engineering, right-of-way acquisition, system-wide procurement, rolling stock, other major procurements, construction and financial considerations for every section during each year through 2014. Regulatory approvals will also be forecast in the plan.

Significantly, the process will also include the selection of design-build/P3 contract segments within each section as well as the development of procurement packages for rolling stock and other key system-wide procurements. This plan will be prepared through a rigorous process that engages the Authority and invites public review. The process for screening candidate design-build/P3 segments and procurement package options will be guided by a set of criteria as summarized in the attachment.

The end product of this process will be a Project Programming Plan that will serve as a prioritized roadmap to assist the Authority and staff to stay on course for achieving safe and reliable revenue service from San Francisco to Anaheim by 2020, as well as demonstrating to other parties that the Authority has a robust multi-year Phase I plan with estimated funding requirements linked to likely sources of funds, by section and by year through 2014, as well as a vision beyond. The timeframe for creating this Plan will be coordinated with the Authority.

Attachment

**DRAFT**

**Preliminary Selection Criteria  
for  
Phase I Project Programming Plan**

1. Compliance with Proposition 1A and other relevant state legislation.
2. Projects that qualify for ARRA funding.
3. Availability of necessary funds.
4. Non-State share of capital funds.
5. Contribution to achieving program goals for Phase I, e.g., track for testing train sets and core systems.
6. State of progress in engineering, the environmental process, right-of-way, and permitting.
7. Status of Regulatory approvals.
8. Maximizing ridership while maintaining geographical balance.
9. Design-build/P3 contract packaging to ensure competition while attracting best qualified firms.
10. Mitigation of potential project risks to State through effective risk management.

**NOTE:** Weighting of screening criteria to be determined prior to usage.